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Carleton Regional Development Commission

Annual Report Fiscal Year 1998-99

Annual Report
Fiscal Year
1998-99

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Member Municipalities

Bath	Bristol
Canterbury	Centreville
Florenceville	Hartland
Meductic	Woodstock

Board of Directors	Representatives
Matthew Brennan	Bath
Charles MacDonald	Bath
Harold Crabbe	Bristol
Gerry English	Canterbury
Robert English	Canterbury
~~Janet Lamoreau~~	Centreville ← Add 2.
Robert Stephenson	Florenceville
Brian Bradley	Hartland
Ken Clark	Hartland
Neil Cummings	Meductic
~~Randy Leonard~~ David Henley	Woodstock
Ken Harding	Woodstock
~~Rendy Leonard~~	

Executive

Charles MacDonald	Chairman
Ken Clark	Vice Chairman
Matthew Brennan	Secretary
Ken Harding	Treasurer
~~Randy Leonard~~	Past Chairman

Personnel

Gary Melanson	General Manager
Ron Ward	Senior Project Officer
Jennifer McCarty	Administrative Assistant
Karri-Lynn Paul	Project Officer (Contract)
Stuart Scott	Marketing Assistant (Contract) ended Dec '99

Ex-Officio

Wayne Gunter	Atlantic Canada Opportunities Agency
Ed Olsheski / Claire Carrier	Economic Development. Tourism and Culture

Professional Appointments

Corporate Solicitors:

Crocco, Hunter & Purvis
Woodstock, N.B.

Attn: Ian Purvis

Corporate Banker:

Royal Bank of Canada
Woodstock, N.B.

Auditors:

Donald Oulton, C.A.
Oulton & Parkinson
Woodstock, N.B.

Carleton Regional Development Commission Inc.

The Carleton Regional Development Commission Inc. was established and incorporated under the Companies' Act of the Province of New Brunswick late in 1980. The intention is to serve the development interest of the region rather than single communities.

The main purpose of the Commission is "to encourage the promotion, expansion and diversification of economic activity" within the Carleton Region. To this end, the corporation was granted the rights and power to provide services of consultants and engage in other pursuits not inconsistent with the Companies' Act in order to achieve its objectives.

The territory over which the Carleton Regional Development Commission has jurisdiction coincides more or less with the trade area of the Carleton Region. It extends in a radius of 41 kilometres (25 miles) around the towns of Woodstock and Hartland, and the villages of Bath, Bristol, Centreville, Florenceville, Canterbury and Meductic. The Carleton Region has a total population of 27,210 people, thirty three percent of which live in incorporated communities.

New Artwork

The activities of the Commission are wide-ranging, being geared to the identification and implementation of economic development opportunities within the region.

The fulfillment of the roles and functions require that the Commission carry out a number of activities. Major activities include: (a) planning; (b) promotion; (c) new business development; (d) liaison with all levels of government; and (e) assist and promote the development of potential in the region's natural resources and tourism activities.

The Commission is not a government agency but an autonomous corporation. Its members are appointed by participating municipalities to a Board of Directors for a one-year term. The Carleton Regional Development Commission Inc. currently has sixteen director positions; two each from Bath, Bristol, Canterbury, Centreville, Florenceville, Hartland, Meductic and Woodstock. They are chosen for their interest in their community, their leadership qualities, their influence and resourcefulness.

The Commission has a business office in Woodstock with a full-time staff of three and two persons on one-year contracts. The General Manager is responsible for the management of the everyday operation of the Commission. His main concern is the promotion of economic development in the area. He also consults with the communities served and the higher levels of government in matters concerning economic development. He assists in the creation and expansion of local business in all sectors of business activity. The staff focuses their efforts on working with new and existing entrepreneurs and special projects and activities as assigned by the General Manager. All assistance and services provided by the CRDC are free of charge and confidential.

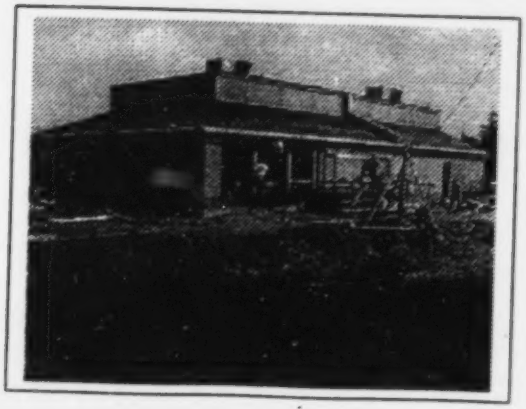
Chairman's Message

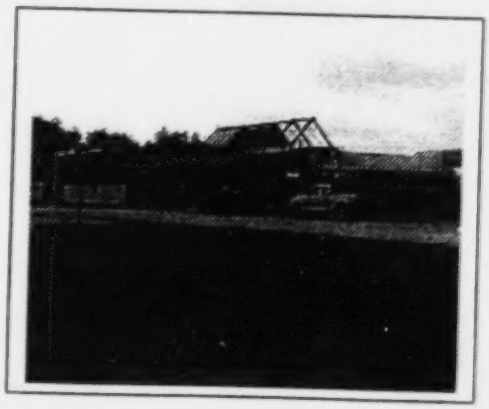
On behalf of the Board of Directors of the Carleton Regional Development Commission, I am pleased to submit to you the Annual Report for the ~~1998-99~~ 99-2000 fiscal year.

Carleton County is experiencing fantastic growth; our key sectors have all grown in sales and in employment levels over the past three years. Some examples include:

- Transportation; AYR Motor Express, 15 employees in 1996, 145 employees in 1999.
- Forestry; Glassville Logging, 65 employees in 1996, 150 employees in 1999.
- Services; K-Line Construction, 30 employees in 1996, 75 employees in 1999.
- Metal Fabrication; Craig's Machine Shop, 50 employees in 1996, 76 in 1999.
- Specialty Companies; EFKA Canada, 51 employees in 1996, 75 in 1999 and Sabian with 65 employees in 1996, 100+ employees in 1999.
- Agriculture; Ralph Culberson & Sons, 25 employees in 1996, 40 employees in 1999.

Other growth in the retail and service sectors is very visible. Safety Insurance in Hartland has recently expanded into a beautiful new office building and currently employs over 40 people. Woodstock is witnessing a range of commercial construction; the new Pizza Hut/Subway is being built on Connell Road as is the new SuperStore under construction at the corner of Connell and Deacon Drive.

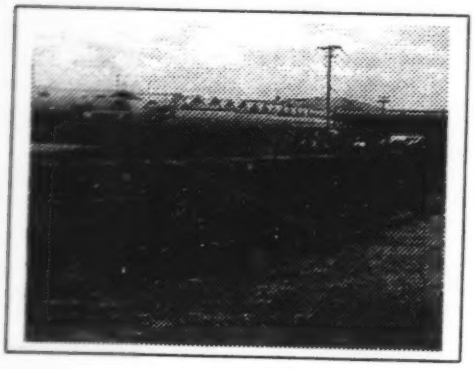




Other business growth includes a new building for TC Welding on the Trans Canada Highway and their expanded services. Artal Industries, a sock manufacturing plant, has located in Woodstock and is in the start-up phase of production. Once they are in full production, approximately 100 people will be employed. In agriculture, several firms have taken advantage of assistance from ACOA to build new potato warehouses important for quality end products for the consumer.

New jobs + growth.

Key businesses continue to be leaders in their industries. Barrett Diversified is involved in a broad range of consumer products and services across Canada and now employs over 400 people across Canada. Jolly Farmers now has 7.5 acres of enclosed greenhouses and a potting soil processing plant, new crops and a new housing community for their members. They have now exceeded 175 employees, becoming one of the largest employers in the area.



Exporting continues to be a key in our region. Natural resources and value-added products from agriculture and the forestry industry continue to be exported in growing quantities. Not only does this lead to the expansion of our growers, processors and manufacturers, but the transportation and the service sectors continue to benefit and grow as well.

New business start-ups are encouraged and assisted, but the strength of this region's growth over the past two years continues to be with existing companies and their ability to diversify, expand and build on their strengths and experience. New employment created by our established businesses tends to be long-term and stable; we thank them for their initiative and courage to invest in this region. The recent establishment of Artal Industries is an example of new businesses established through the province's efforts in the Investment Branch of Economic Development, Tourism & Culture. This type of business helps diversify our region into new industries and creates even more economic stability for our people.

The Carleton Regional Development Commission is also actively involved in many more issues supporting this region. We have worked with the community on the Natural Gas Pipeline issue over the past two years, and we now have a commitment from the Government to extend the gas pipeline up the St. John River Valley. The Commission presented an economic impact paper on behalf of the forestry industry and their partners at the Protected Areas Strategy for New Brunswick public meetings. The Commission was very involved with the successful lobby with ten Mayors representing Carleton County and the Villages of Millville and Nackawic, to access government support for a study on the Tourism Industry on the St. John River Valley. We have continued to work with the Woodstock Quality Assurance Council to deliver quality training for the tourism and service sectors in this region. These activities help the community to grow, and the Carleton Regional Development Commission will continue to offer our support when possible.

A large part of this growth and diversification would not happen if not for the support of a variety of government departments, agencies and private organizations. These include Economic Development, Tourism and Culture, Atlantic Canada Opportunities Agency, Human Resource Development New Brunswick and Canada, Department of Labour New Brunswick, New Brunswick Department of Agriculture & Rural Development, Southwest Valley Development Corporation, Woodstock Quality

Assurance Council, the area Chambers of Commerce and local special interest groups and volunteers. I wish to thank each of these organizations and their staff and volunteers for their support and hard work.

I would also like to thank the towns and villages in our region for their continued support of the Commission and our work. Local support from Provincial and Federal government departments is limited; it is vital that the Commission continues to exist to support business start-ups, growth and diversification and to act as a voice to all levels of government concerning business issues and government policies affecting the region.

We are facing another challenge; the funding agreement, which supports the Commissions, is entering the stages of renewal, our current funding ends in March 2000. It is vital that the Board of Directors, our member communities and the businesses of this region lobby for the continued existence of the regional development commissions, in particular the Carleton Regional Development Commission. This region cannot afford to lose any additional services and contacts with our government partners. To best serve our business community's needs we must have a local office staffed with qualified economic development personnel. The Commission brings valuable resources and assistance to the Carleton Region; this service must be maintained if not expanded.

The Carleton Regional Development Commission is looking forward to another busy year, and I encourage the business community to call upon their services. With the collective efforts of the communities, businesses and government support, we will continue to experience steady growth of our business base leading to a stronger, more prosperous region in which to live.

Charles MacDonald
Chairman, 1998/99

General Manager's Report

The Carleton Regional Development Commission has had another busy year working with local and regional organizations and businesses on various projects and initiatives. Our main focus continues to be business counselling with new and existing businesses. The staff conducted a total of 1,067 counselling sessions over the past year with inquiries as follows:

Provincial Programs	Number of Clients
Self Start	20
Entrepreneur	280
SECAP	80
Provincial Holdings	2
Tourism Strategy	40
Student Venture Program	20
Federal Programs	
ACOA	80
Industry Canada	5
Trade Assistance	30
Southwest Valley Development Corp. loans	100
Self Employment Benefit Program (SWVD)	100
Transitional Jobs Fund	80
General Business Counselling	230

Review Quarterly Reports

Through Government Programs, the Commission continued to offer financial support to the region. In summary, the assistance received was heavily in favor of existing businesses for expansion, modernization and employment programs. The Transitional Jobs Fund from Human Resource Development Canada was popular amongst new start-ups and existing businesses, as was ACOA's Business Development Program. Extremely strong this year were the various employment programs offered by the Department of Labour, supporting 535 new jobs for their clients in the past year. A complete listing of support is included in the Highlights section of this report.

In 1998/99, the Commissions and our Partners continued to utilize the format of a coordinated workplan which brought together the activities of the following five organizations:

Carleton Regional Development Commission
Southwest Valley Development Corporation
Atlantic Canada Opportunities Agency
Economic Development, Tourism & Culture
Department of Agriculture & Rural Development

The purpose of the coordinated workplan is to identify and prioritize key economic development activities for the region, identify which organization(s) should be responsible for particular activities, and coordinate all the participants in the delivery and support of each activity undertaken. The workplan holds accountable the stakeholders with clear targets and timelines for all activities. The first year was a great success, and we now have three new Partners signing on for the 1999/2000 planning process conducted in January and February this year. We feel that this is a giant step forward in reducing duplication and clearly defining the roles and responsibilities of all the partners. Our new Partners are:

Department of Labour, New Brunswick
Human Resource Development Canada
Human Resource Development New Brunswick

This partnership came together during the Network'99 Government to Business Trade Show in October 1998. Twenty-four exhibitors participated in the trade show that was designed to offer information to area business people and entrepreneurs. Three hundred seventy people attended to talk to the representatives, and the long-term results are still being felt with business growth in the region. Plans are now underway for Network'99.

In closing, I would like to thank the Board of Directors of the Carleton Regional Development Commission for their continued support and guidance. I would also like to thank the business community for their support of the Commission's work and in developing new businesses and expanding existing ones.

The next year will be a demanding one. The Commission is striving to work closer with our government partners sharing more information and ideas. We are lucky to have a strong working relationship with our key partners, Economic Development, Tourism & Culture, Department of Labour, Atlantic Canada Opportunities Agency, Southwest Valley Development Corporation and the Department of Agriculture and Rural Development. Their representatives, Ed Olsheski, Greg Foster, Jayne Clarke, Wayne Gunter, Robert Bowles and Tom Byers, have made our jobs much easier and more rewarding. I wish to thank them for their support. A special thanks to the team from Human Resource Development Canada, Julia McAlpine, Gloria Lawrence and Dianna Wasson, who have helped this region with the Transitional Jobs Fund Program. This program has proven to be very important in the expansion of several area businesses that would not have received support from other sources. Thank you for your support.

I would like to encourage you to review the annual report and I look forward to any questions or comments.

Gary Melanson
General Manager

Highlights of Government Partners and Programs

The Enterprise Resource Centre

The Enterprise Resource Centre opened in January 1996 and is now located within the Commission's offices in the Capital Square building in Woodstock. This centre is funded through the CRDC's operating budget and has provided individuals and businesses with valuable information on markets, suppliers, business planning, and computerization. Clients have access to the computers and the Internet service in the centre to work on their business and marketing plans. The centre has also provided a link to several other resource services and centres throughout Atlantic Canada and beyond. The staff of the CRDC, as time permits, supports the Centre.

The Canada/New Brunswick Business Service Centre: The Canada/New Brunswick Business Service Centre, located in Fredericton, continues to be a very important information provider for our staff and clients. The centre offers business advice, program information and referrals to other agencies. Since opening in 1994 the centre has handled approximately 78,000 inquiries.

The Business Development Centre: The Southwest Valley Development Corporation provides technical and counselling advice to new or existing small businesses. Their key activity is the administration of their investment funds to create employment supporting local businesses in the form of loans, loan guarantees and equity participation. During the past year, Southwest Valley has invested $477,000 in direct cash investments into eleven (11) businesses in Carleton County. These monies led to the creation of 20 full-time jobs and the maintenance of a further 40.5 full-time jobs. This organization is also responsible

updates

for the evaluation and counselling of Self-Employment Benefit Program (SEB) participants in the region. Currently, the SEB program has thirteen (13) participants approved for assistance, which led to the creation of 24 full-time positions.

The Atlantic Canada Opportunities Agency: ACOA is one of two partners providing funding to the Carleton Regional Development Commission through the COOPERATION Agreement. ACOA continues to be active in supporting area businesses through their "Business Development Program" which is designed to help set up, expand or modernize businesses. Focusing on small- and medium-sized enterprises, the program offers access to capital in the form of interest-free, unsecured, repayable contributions. During the past year, ACOA has invested $624,036 in direct cash investments into eleven (11) businesses in Carleton County. A total of $1,438,622 has been invested in these projects and 24 jobs have been created.

ACOA was key this fiscal year in the delivery of two Better Business Management Practices training courses and one Trade Training Program. They also develop and coordinate the Statistics Canada regional information required by the commission used to support the development of work-plans and business plans.

ACOA can accommodate a combination of business activities, including:

- Business start-up, expansion or modernization
- Developing business ideas, innovation, research and development
- Public tender bid preparation activities
- Training, productivity and quality improvements
- Trade development and marketing
- Consultant advice

ACOA's representative in the Carleton County is Ms. Jayne Clarke and the Manager for the region is Mr. Wayne Gunter.

Human Resource Development Canada: Human Resource Development Canada has made a major impact in this region with the Canada Jobs Fund. Designed to assist businesses expanding and adding incremental staff, the program has generated a large number of applications and has supported several new and existing businesses. (Details were not available at the time of writing this report.)

New Brunswick Department of Economic Development, Tourism and Culture: The province has been very active in supporting business in the area with their various programs. The province is represented by Mr. Ed Olsheski in the region and supported by Ms. Pat McKinney, Acting Director of the Small Business Directorate.

Key provincial administered programs utilized by our clients include:

A) **Self-Start** - A loan guarantee of up to $10,000, this program is available for first time, full-time business owners to assist in financing start-up and operating costs. This program is also available for seasonal tourism-related businesses. The Self-Start Program generated twenty (20) inquiries resulting in two (2) approvals in 1998/99 in the Carleton County.

B) **Entrepreneur Program** - This program, supported by Advanced Education and Labour, is similar to Self-Start in that it loans up to $10,000 to new business ventures, but it is designed to assist unemployed individuals. Two hundred and eighty (280) inquiries resulted in seven (7) new businesses starting with the assistance of this program in 1998/99. Several of these individuals also combined this program with the Self-Employment Benefit Program administered by the Southwest Valley Development Corporation and Human Resources Development Canada.

C) **Quality Assurance Program** - With quality being such an important aspect of today's business environment, this program offers assistance to provide quality control training for staff and management, to improve existing programs and the

quality of a product or service, to purchase testing or measurement equipment and to hire qualified expertise. One (1) company in our region utilized this program in 1997/98.

D) **Trade and Marketing Assistance** - This provincial program aims at helping manufacturers, processors, the tourism industry and some service industries on a cost-sharing basis. It enables them to take part in professional trade shows, industrial missions or to devise promotional material for developing new markets or increase sales at home and abroad. Twelve (12) companies received assistance under this program.

E) **Small Entrepreneur Capital Assistance Program (SECAP)** - This new program has been recently introduced and designed to increase incomes and enhance employment opportunities in New Brunswick by financially stimulating small businesses to pursue new opportunities within certain sectors of the economy. This program provides financial support in the form of non-repayable assistance up to 40% of the eligible costs to a maximum of $50,000. Only one (1) approval for assistance was given under this program.

F) **Other Programs**: Assistance was also given through the following government programs to a number of businesses in the Carleton County: Technical Missions, six (6) approvals; Financial Assistance Program, six (6) approvals; and the Student Venture Loan program with twelve (12) approvals.

Activity Details

The Carleton Regional Development Commission (CRDC) serves a population base of approximately 27,200 people and 1,350 businesses in the region.

Our mandate is to foster and promote economic development in the Carleton Region. To report on the activity and the results over the past fiscal year, we focus on four key areas of activity; the projects within each area and the results achieved have been identified.

These topic areas are:

1) **Leadership & Coordination**
2) **Business Counselling /Information/Training/Investment Promotion**
3) **Promotion of the Region**
4) **Communications**

1) Leadership & Coordination:

A) **Key Sector Focus:** The CRDC and our partners focused our efforts on developing projects within the following five key sectors in the region: Forestry & Wood Products, Agriculture and Food Processing, Tourism, and Metal Fabrication. Our target was 100 visits to companies over the fiscal year. Our target was reached although projects in the Tourism sector did not reach the desired levels.

B) **Tourism Action Plan:** The CRDC was a key component in the success of the region's Mayors in receiving funding support from the Province of New Brunswick to study the Tourism potential of the St. John River Valley. The Commission provided research information, a colour document outlining the request, and the presentation format and material for the meeting with the Minister of Economic Development & Tourism.

C) **Gas Pipeline:** The CRDC participated in the numerous meetings with town and village representatives to discuss the Natural Gas Pipeline routing through New Brunswick. This included several meetings with the Minister of Natural Resources and Energy and the Premier. The Commission also maintained contact, on behalf of the group, with the northern Natural Gas interest group based in Edmundston.

D) **Regional Marketing Profile:** The CRDC has accessed assistance through HRD Canada to hire Stuart Scott to research and write a Regional Profile for Carleton County. This one-year term started in January 1999, and the result will be a comprehensive document offering a detailed overview of the area. Topics include:

Brief History and Background of the Carleton Region
Carleton Region's Advantage and It's Strategic Location
Demographic Data
Labour Force/Workforce Data
Economic Data
Real Estate/Available Land for Use and Development

Services Breakdown by Economic Sector

Accommodations

Recreation and Leisure

Transportation and Communications

Education

Tourism & Attractions

Region's Future Outlook and Prospects for Growth

This document will be completed and ready for distribution by the end of the summer 1999. At that time Stuart will be developing community profiles for the eight member communities covered by the CRDC.

2) Business Counselling/Information/Training/Investment Promotion

A) **Business Counselling to New and Existing Small Business - Inquiries:** The staff of the CRDC has been tracking the number of client counselling sessions conducted each month. On average these sessions require approximately one and one half (1.5) hours of individual counselling, and clients usually return an average of three times. We have had a busy year; our client counselling sessions totaled 1,067 sessions this year plus an additional 1825 phone inquiries over the past year.

B) **Programs**: The CRDC works with a broad variety of government-related programs including: Self-Start, Entrepreneur, Self Employment Benefit, Small Entrepreneur Capital Assistance Program, the Canada Jobs Fund, Industry Canada Trade Assistance, Business Development Bank programs, and ACOA's Business Development Program. The CRDC witnessed another year of low start-up applications and approvals. Even though client inquiries where high, the quality of many proposed projects was poor or undeveloped, a large number of clients were seeking grants for small service-related businesses which failed to meet the criteria established by government programs.

Self-Start program approvals remained poor, achieving only 40% of target. This program is currently under review by the provincial government due the fact that the provincial total was also only 30% of target. Other programs such as the NB Entrepreneur Loan program achieved just over 93% of the provincial target and SECAP achieved 69% of target province wide. Both of these programs have been working well in supporting businesses in the Carleton region, but could do better in the future.

The CRDC has continued its policy of assisting clients with counselling, not consulting. The staff of the CRDC works with the client in the development of their business plans and program applications. The result is a true test as to the level of commitment of the client in pursuit of their business idea. As a result, the process takes a longer period of time on average and the drop-out rate remains high (those clients that failed to complete their application for assistance). Complete results of provincial programs are represented in Appendix A.

Under the ACOA-funded programs, Carleton County continues to be very active. The number of projects undertaken in 1993/94 was forty-four (44), fifty (50) in 1994/95, nine (9) in 1995/96, fourteen (14) in 1996/97, twenty-one (21) in 1997/98 and eleven (11) in 1998/99. Total investment is now over 11 million dollars into businesses in the county with the federal contribution reaching over $3.15 million and 168 jobs being created.

C) **Information Sessions:** The CRDC's General Manager delivered information sessions to the commission's member municipalities over the spring and summer of 1998. The General Manager and the respective Board Member presented a comprehensive information package to all eight municipalities and area Chambre of Commerce. We distributed over 80 booklets entitled: "Presentation to Town Councils and Business Groups, Spring 1998". These booklets covered the following topics:

- CRDC – Who, What, When, Where & Why?
- Carleton County Demographics
- Carleton County Business Overview
- Carleton County – Government Assistance to Business, 1995 to 1997
- CRDC – 1998 and Beyond

The presentations were well received, and I feel that they helped clarify our role in the community and the importance of supporting the commission.

The staff of the CRDC also coordinated the delivery a Trade Training session held on Oct 30 and Nov. 1/98. The targeted business audience was export manufacturers in the area.

D) **Entrepreneurship Development**: The CRDC continues to be involved in the promotion and coordination of entrepreneurial training in the region. The past year proved the trend is moving towards individual training over group courses. The interest in our entrepreneurship courses was too low to conduct the courses, resulting in cancellation. However, we feel individual training will be in demand over the next few years. We have promoted training programs offered by Southwest Valley Development Corporation and directed individuals to enroll in their program.

E) **Other Entrepreneurial Training** - The staff of the CRDC conducted several guest lectures on Entrepreneurship to the Community College, area high schools and special interest groups throughout the area. During these lectures we distributed our "Starting A Business in the Carleton Region" booklet as a guide. These lectures

combined the learning experience for the students with the exposure of the CRDC to prospective future business owners.

F) **WQAC - Customer Service Training** - The CRDC, in conjunction with the Woodstock Quality Assurance Council, coordinated a "SuperHost" customer service training for the hospitality, tourism and retail trade in the region. The course was offered in the spring to prepare the participants for the tourism season. In all, forty (40) people participated in the two sessions conducted by Customer Service Excellence of Fredericton.

3) Promotion of the Region

A) **Information - Marketing and Promotion** – The CRDC commissioned GraphXperts to research and print our business directory for the 1999 calendar year. Over 650 businesses are listed supplying information on business addresses, phone numbers, employment levels and key contacts. The information is available in two formats, alphabetical order and by industry sectors.

B) **CRDC Annual Dinner & Awards Evening:** Coordinated with Network'99, the annual dinner attracted 240 guests. The Minister of Economic Development, Tourism & Culture, Roly McIntyre was our guest speaker. Randy Leonard, the outgoing Chairman of the CRDC, gave a presentation on the Carleton Region that included a picture slide-show presentation highlighting key businesses and attractions in the area. The annual business awards where presented to Ruth Pickle, owner of Pickle Home Hardware, for Business of the Year and Marlene Henley, Female Entrepreneur of the Year. The event was very successful and is the key marketing activity of the Commission each year.

C) **Planning and Coordination:** The Carleton Regional Development Commission has been actively participating in several organizations and initiatives in the county. Our role is to offer support and direction, but we have also been instrumental in initiating and coordinating certain activities.

The following is a list of organizations on which a representative of the Commission participates:

- New Brunswick Economic Commissions Association.
- Junior Achievement Carleton County
- Woodstock Quality Assurance Council
- Town of Woodstock Economic Development Committee
- Mentoring New Brunswick
- Golf New Brunswick (Marketing Committee of the NBGA)

4) Communications

A) **Advertising:** The Carleton Regional Development Commission continued to promote special events, programs and training sessions to area businesses and individuals. To reach our prospective audience, the CRDC advertised locally as well as utilized a direct-to-business fax service for several promotions. The CRDC also uses information notice boards at their offices to provide on-site advertisement of upcoming events and new program information. One of our best forms of promotion continues to be word of mouth support for our services and programs.

B) **Communication with Partners:** The CRDC is committed to share the information we collect with our partners. We provide each other with our quarterly reports and monthly top 10 lists. We also provide the quarterly reports and semi-annual financial reports with our Board of Directors and funding partners.

Administration & Operations

The staff of the CRDC continues to split the administrative tasks of the Commission depending upon their expertise and interests.

Gary Melanson, General Manager, is responsible for the overall direction of the Carleton Regional Development Commission, reporting directly to the Chairman and the Executive of the Board of Directors. He handles government-related matters, has direct contact with the business community and town/village councils, and counsels clients on the various programs available.

Ron Ward, Senior Project Officer, is responsible for direct counselling with clients on business planning and programs and the coordination and delivery of CRDC training activities in the region. He also provides additional representation through various service and sports organizations in the community and sits as a member of the Parent/Teacher Committee at the Woodstock High School.

Jennifer McCarty, our new Administrative Assistant as of February 1999, handles office administration, meeting and event scheduling, bookkeeping and general office duties. She is also responsible for the general upkeep of materials in the office.

New employee, hired in March 1999, Karri-Lynn Paul was hired under the Aboriginal Youth Internship Program for a one-year term. Her position is Project Officer. Karri-Lynn is being trained in economic development activities and has been assigned to Tourism related tasks. She has participated in several training seminars, information sessions and workshops.

New employee, hired in January 1999, Stuart Scott, was hired with assistance from Human Resource Development Canada. His position is Marketing Assistant. His task is centered on the development of marketing tools, primarily the Regional Profile for Carleton County, as well as community profiles for our member municipalities.

All three of our new employees have proven themselves to be valuable employees, requiring minimal supervision and showing a great deal of initiative in their duties.

Each staff member's role is detailed in their appropriate job descriptions, which were revised in February 1998. Daily activity in the office is handled in a shared and equal manner, and all staff members are responsible for service to the clients.

Auditor's Report as at March 31, 1999

OULTON & PARKINSON *Chartered Accountants*

Donald V. Oulton. B. Comm., C.A.
Karen D. Parkinson. B.B.A., C.A.
Harold G. Walker. B.B.A., C.A.

670 Main Street
Woodstock, N.B. E7M 2C8
Telephone (506) 328-8866
Fax (506) 328-9522
Email oulpar@nbnet.nb.ca

May 18, 1999

Mr. Gary Melanson
General Manager
Carleton Regional Development Commission Inc.
114 Queen Street, Unit 101
Woodstock, New Brunswick
E7M 2M9

Dear Mr. Melanson,

Enclosed are five bound and one unbound copies of the report and financial statements of Carleton Regional Development Commission Inc. for the year ended March 31, 1999.

If you should require any additional information or explanations concerning the above please contact us.

Yours very truly,

OULTON & PARKINSON

Harold Walker

Harold G. Walker, C. A.
Partner

HGW/jmp

Enclosures

CARLETON REGIONAL DEVELOPMENT COMMISSION INC.

Report And Financial Statements

For The Year Ended March 31, 1999

Oulton & Parkinson
Chartered Accountants

CARLETON REGIONAL DEVELOPMENT COMMISSION INC.

Report And Financial Statements
For The Year Ended March 31, 1999

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Oulton & Parkinson

OULTON & PARKINSON *Chartered Accountants*

Donald V. Oulton. B. Comm., C.A.
Karen D. Parkinson. B.B.A., C.A.
Harold G. Walker. B.B.A., C.A.

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AUDITORS' REPORT

The Directors
Carleton Regional Development Commission Inc.

We have audited the balance sheet of the Carleton Regional Development Commission Inc. as at March 31, 1999 and the statement of revenue and expenditure and surplus for the year then ended. These financial statements are the responsibility of the commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the commission as at March 31, 1999 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Oulton & Parkinson

Chartered Accountants

May 11, 1999

CARLETON REGIONAL DEVELOPMENT COMMISSION INC.

Balance Sheet
As At March 31, 1999

	1999 $	1998 $
ASSETS		
General Fund		
Current Assets		
Cash	48,910	26,077
Accounts receivable - Federal government	1,556	3,637
- Provincial government	-	4,000
- Municipalities	371	-
HST receivable	4,027	4,465
	54,864	38,179
Capital Fund		
Capital Assets (note 2)		
Office furniture and equipment	68,375	61,542
Reserve Fund		
Cash	25,619	31,475
	148,858	131,196
LIABILITIES AND EQUITY		
General Fund		
Current Liabilities		
Accounts payable and accrued liabilities	14,041	1,764
Special projects balance (note 5)	49,494	27,820
	63,535	29,584
Surplus (Deficit)		
Operating (deficit) surplus - page 3	(8,671)	8,595
	54,864	38,179
Capital Fund		
Equity in capital assets (note 3)	68,375	61,542
Reserve Fund		
Equity in reserve fund (note 4)	25,619	31,475
	148,858	131,196

On behalf of the Board:

_____ Director

_____ Director

CARLETON REGIONAL DEVELOPMENT COMMISSION INC.

General Fund
Statement Of Revenue And Expenditure And Surplus
For The Year Ended March 31, 1999

	1999 Budget $	1999 Actual $	1998 Actual $
Revenue			
Cooperation agreement	184,546	184,546	184,546
Municipalities	12,510	13,393	13,393
Youth entrepreneurship program	-	-	3,385
Better business management practices program	-	202	510
Woodstock Quality Assurance Council	-	30	2,358
Transfer from reserve fund	9,544	9,544	7,647
Sale of capital assets	-	850	550
Rent and office services	-	3,064	-
Other	-	219	606
	206,600	211,848	212,995
Expenditure			
Salaries and employee benefits	129,646	133,578	128,276
Travel and car allowance	27,308	28,819	24,841
Office supplies and expense	10,220	16,556	9,484
Office renovations	-	-	3,745
Audit and accounting	3,380	5,729	3,380
Insurance	1,118	-	1,450
Membership fees, dues and seminars	2,300	1,847	2,659
Rent	12,904	12,964	10,791
Telephone	7,000	10,213	7,946
Electricity	4,224	4,140	3,528
Meetings	8,500	6,750	9,192
Youth entrepreneurship program	-	-	2,516
Better business management practices program	-	109	510
Resource kit program	-	1,362	1,600
Miscellaneous	-	214	451
Transfer to capital fund	-	6,833	4,214
Transfer to enterprise centre	-	-	3,902
	206,600	229,114	218,485
Deficit For The Year	-	(17,266)	(5,490)
Surplus (Deficit)			
Balance, beginning of year	-	8,595	14,085
Balance, end of year	-	(8,671)	8,595

CARLETON REGIONAL DEVELOPMENT COMMISSION INC.

Notes To Financial Statements
For The Year Ended March 31, 1999

1. **Significant Accounting Policy**

Office furniture and equipment

Capital assets are recorded at cost. The Commission does not record depreciation on its capital assets. Funds received through capital assistance programs or transferred from the general fund are treated as additions to equity in capital assets.

	1999 $	1998 $
2. **Capital Assets**		
Balance, beginning of year	61,542	57,328
Additions during the year		
Office furniture	618	-
Computer hardware	6,215	2,634
Printer	-	398
Digital camera	-	1,182
Balance, end of year	68,375	61,542
3. **Equity In Capital Assets**		
Balance, beginning of year	61,542	57,328
Transfer from general fund	6,833	4,214
Balance, end of year	68,375	61,542
4. **Equity In Reserve Fund**		
Balance, beginning of year	31,475	36,375
Interest earned	3,688	2,747
Deduct transfer to general fund	(9,544)	(7,647)
Balance, end of year	25,619	31,475

CARLETON REGIONAL DEVELOPMENT COMMISSION INC.

Notes To Financial Statements
For The Year Ended March 31, 1999

	1999 Budget $	1999 Actual $	1998 Actual $
5. **Special Projects**			
Cooperation Agreement			
Revenue			
Entrepreneurship training	5,000	5,000	15,000
Business training program	10,000	10,405	5,265
Automation program	2,000	2,000	2,000
Communication and promotion program	6,000	6,000	6,000
Training and development program	5,000	5,000	5,000
Annual meeting	2,500	14,665	-
Tourism action plan	5,200	5,200	-
Marketing profile program	4,000	4,000	-
Business directory program	2,300	2,300	-
Stats Canada program	1,000	1,000	-
	43,000	55,570	33,265
Expenditure			
Entrepreneurship training	5,000	-	2,051
Business training program	10,000	2,579	6,975
Automation program	2,000	1,881	1,637
Communication and promotion program	6,000	5,692	6,462
Training and development program	5,000	4,541	4,195
Annual meeting	2,500	15,426	-
Tourism action plan	5,200	3,373	-
Marketing profile program	4,000	553	-
Business directory program	2,300	2,464	-
Stats Canada program	1,000	1,581	-
Regional Strategy program	-	-	156
	43,000	38,090	21,476
Excess revenue over expenditure for the year	-	17,480	11,789
Aboriginal Youth Internship Program			
Revenue	-	1,556	-
Expenditure	-	1,556	-
Excess revenue over expenditure for the year	-	-	-

CARLETON REGIONAL DEVELOPMENT COMMISSION INC.

Notes To Financial Statements
For The Year Ended March 31, 1999

	1999 Budget $	1999 Actual $	1998 Actual $
5. **Special Projects** (con't)			
Youth Internship Program			
Revenue	-	11,250	-
Expenditure	-	4,788	-
Excess revenue over expenditure for the year	-	6,462	-
Enterprise Centre			
Revenue	-	-	13,902
Expenditure	-	-	13,902
Excess revenue over expenditure for the year	-	-	-
Train Station Study			
Revenue	-	-	36,378
Expenditure	-	2,268	34,075
Excess (expenditure over revenue) revenue over expenditure for the year	-	(2,268)	2,303
Special Projects			
Surplus for the year	-	21,674	14,092
Balance, beginning of year	-	27,820	13,728
Balance, end of year	-	49,494	27,820

6. **Uncertainty Due To The Year 2000 Issue**

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. The effects of the Year 2000 Issue may be experienced before, on, or after January 1, 2000, and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure which could affect an entity's ability to conduct normal buisness operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the entity, including those related to the efforts of customers, suppliers, or other third parties, will be fully resolved.